

**SCHOOL YEAR 2001-02 ADMINISTRATIVE INFORMATION
MEMORANDUM NO. 1**

TO: State and Federal Program Directors
FROM: Office of Field Services
DATE: March 15, 2002

Estimated Funding Levels for 2002-03

The U.S. Department of Education has provided estimated federal program funding levels for 2002-03 in Michigan. The statewide estimates and changes from 2001-02 are shown below. Districts and academies are cautioned that the statewide changes may not be reflected in their local allocations and that some local allocations will decrease as a result of formula changes in the new federal legislation. See the financial planning article on Page 2 for more information.

The latest proposal for 2002-03 state program funding levels would maintain Section 31a and Section 41 at their 2001-02 levels, but eliminate the Section 32e small class size pilot. These proposed amounts are also shown below.

<u>Program</u>	<u>2001-02 Allocation</u>	<u>2002-03 Estimated Allocation</u>	<u>Percent Change</u>
Title I, Part A	\$358,600,000	\$413,100,000	+15% (13% LEAs*)
Title I, Part C	8,900,000	9,300,000	+4%
Title II, Part A	84,500,000	110,000,000	+30%
Title II, Part D	17,700,000	23,700,000	+33%
Title III, Part A	1,600,000**	4,900,000	N/A
Title V, Part A	13,600,000	13,600,000	0%
CSRD	10,400,000	11,700,000	+12%
Section 31a	314,200,000	314,200,000	0%
Section 41	4,212,000	4,212,000	0%

* 2% set aside for statewide system of technical assistance and support

** Emergency Immigrant only

OF NOTE

No Child Left Behind Act of 2001

On January 8, 2002, President Bush signed the *No Child Left Behind Act of 2001*, thereby completing the long-awaited reauthorization of Elementary and Secondary Education Act programs. See the article on Page 1 for highlights of the new legislation.

CALENDAR

March 1 – May 22	Reauthorization Workshops
March 25	MEGS Summer Migrant Application Training
April 18 – May 9	Migrant Regional Meetings
April 25 – May 23	MEGS Consolidated Application Training

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No Child Left Behind Act of 2001

The *No Child Left Behind Act of 2001*, passed by Congress in December 2001, and signed by the President on January 8, 2002, reauthorizes Title I and other Elementary and Secondary Education Act programs through the 2007-08 school year. Most provisions of the new legislation will take effect on July 1, 2002. However, important new requirements for Title I paraprofessionals became effective immediately and will have a major impact on the hiring and training of paraprofessionals who work in Title I programs. These requirements are described in detail in the article on Page 3.

Highlights of other major program changes are as follows:

Title I, Part A

- Annual state assessments in reading and mathematics for all students in grades 3-8 required beginning in 2005-06
- Adequate yearly progress (AYP) definition revised and applied to disaggregated groups as well as whole school beginning with 2001-02 base year
- New transfer and supplemental services options provided for students in Title I schools identified for improvement
- New requirements to use Title I funds to ensure all teachers are highly qualified
- Expanded reporting of student achievement data and teacher qualifications required through annual report card

Title II, Part A

- Replaces the Eisenhower Professional Development and federal Class Size Reduction programs with a new formula grant program that can be used for both purposes, as well as recruitment and retention of highly qualified staff and the hiring of other specialized supplementary teachers. The title of this new program is Teacher and Principal Training and Recruiting.

Title II, Part D

- Replaces the Title III Technology program (Technology Literacy Challenge Fund) with a new technology program that is 50 percent formula grants to school districts that receive Title I allocations and 50 percent competitive grants. Applicants must have an approved technology plan and must use at least 25 percent of the funds for professional development, unless they obtain a waiver. The balance of the funds may be used for acquiring and maintaining technology to improve instructional programs, use of data and home-school communications.

Title III, Part A

- Replaces the Title VII Bilingual and Emergency Immigrant programs with a new state-administered formula grant program to support English language acquisition for limited English proficient students, as well as educational services for immigrant students.

Title V, Part A

- Replaces the Title VI Innovative Education Strategies program with a formula grant program that expands the allowable uses of funds to include many additional kinds of activities.

Title VI, Parts A and B

- Provides school districts with the flexibility to transfer a portion of their allocations under

Title II, Part A, Title II, Part D, Title IV, Part A (Safe and Drug-Free Schools and Communities) and Title V, Part A to another of those programs or to Title I, Part A. The portion depends on the size of the school district and whether or not it has schools identified for improvement. Small rural districts may also transfer funds to Title III or Title IV, Part B (21st Century Community Learning Centers).

Reauthorization and Consolidated Application Workshops

The Office of Field Services has scheduled two series of regional workshops in March, April and May to assist school districts in: 1) obtaining information about the reauthorized federal programs in order to plan for the 2002-03 school year; and 2) learning how to use the new Michigan Electronic Grants System (MEGS) to submit their 2002-03 Consolidated Applications. It is critical that staff from each district attend both workshops, since there are many changes in the federal programs and since MEGS will be the only option for submitting 2002-03 Consolidated Applications.

A memorandum giving the dates, locations and times of the reauthorization workshops was sent to local and intermediate school district superintendents, public school academy directors, and state and federal program directors on February 4, 2002. This information is also posted on the Michigan Department of Education website at www.state.mi.us/mde/off/fs/meetings.htm. Registration is required and may be done by e-mail, telephone or the Internet. See the February 4 memorandum for specific instructions.

The memorandum announcing the MEGS 2002-03 Consolidated Application training dates, locations and times was sent to school district superintendents, public school academy directors, and consolidated application contacts on March 4, 2002, and is also available on the Department website at www.state.mi.us/mde/off/fs/meetings.htm. These training sessions will be held from April 25 to May 23, 2002, and will be conducted using a combination of “live” sites and videoconferencing. The trainer will be Louis Burgess, who is managing the development of all MEGS applications for the Department. Each district and academy is invited to send two representatives. Registration is required, since the capacity at each site is strictly limited. Please see the March 4 memorandum for information on how to register and how to prepare for these training sessions.

Financial Planning for 2002-03 Programs

The estimated funding chart on the cover page of this memorandum indicates significant increases for the Title I, Part A, Title II, Part A, Title II, Part D and CSRD programs, a more modest increase for Title I, Part C, and no change in funding for Title V, Section 31a and Section 41. Districts and academies are cautioned, however, that the statewide funding levels will not necessarily be reflected in local allocations. This is especially true with regard to the increase in Title I, Part A and Title III, Part A for the following reasons:

Title I, Part A

In 1998-99, Congress decided that states could no longer select the poverty counts used to determine Title I allocations. Michigan had been using counts of pupils eligible for free breakfast, lunch or milk. Instead, all states were required to use the most recent census poverty estimates, and to “equate” other poverty counts to census estimates for charter schools (public school academies). At the same time, Congress established a 100 percent “hold-harmless” so that districts and academies would not be hurt

by this decision. However, the 100 percent hold-harmless has been eliminated for 2002-03 and future years, and replaced by a graduated hold-harmless depending on the district's or academy's poverty concentration. The specific hold-harmless levels are as follows:

<u>Poverty Concentration</u>	<u>Hold-Harmless</u>
less than 15%	85%
between 15 and 30%	90%
30% or more	95%

A list showing the projected risk to each Michigan district and academy is available on the Department website at www.state.mi.us/mde/off/fs/alerts/index.htm. Districts are further cautioned that the estimated district allocations published by the U.S. Department of Education and often distributed by legislators overstate the amount districts will receive, especially in states with charter schools. These allocations are based on 100 percent of the amount each state is expected to receive and do not reflect the deduction of 1 percent for state administration, the new required deduction of 2 percent for technical assistance to low-achieving schools, or the adjustments needed to provide allocations to charter schools.

Title II, Part A

The legislation guarantees each district and academy a 2002-03 allocation that equals the combined total of its 2001-02 Eisenhower and Class Size Reduction funds. The additional funding will be allocated according to the following formula: 80 percent based on census poverty counts and 20 percent based on census populations of school-age children. Districts and academies with high poverty counts will receive increases of more than 30 percent, while those with low poverty counts will receive smaller increases.

For districts and academies wishing to estimate their formula grant allocations under the Title II, Part D Technology program, those funds will be allocated in the same proportion as Title I, Part A funds. Since the estimated amount for Title II, Part D formula grants is approximately 3 percent of the Title I, Part A amount, districts and academies should anticipate receiving Title II, Part D allocations that equal about 3 percent of their 2002-03 Title I, Part A allocations. The Office of Field Services will calculate and post allocations for all programs as soon as final information is received from the U.S. Department of Education.

New Requirements for Title I Paraprofessionals and Teachers

The *No Child Left Behind Act of 2001*, signed by President Bush on January 8, 2002, established requirements for new Title I paraprofessionals that took effect immediately. This means that districts and academies may not hire new Title I paraprofessionals unless they meet these requirements, even if the hiring is done during the remainder of the 2001-02 school year. Existing Title I paraprofessionals must meet the new requirements no later than January 8, 2006. The only exceptions are: 1) Title I paraprofessionals who are proficient in English and another language and serve as translators; and 2) Title I paraprofessionals whose sole duty is to conduct parental involvement activities.

In order to meet the new requirements, Title I paraprofessionals must have done one of the following:

- 1) Completed at least 2 years of academic study at a postsecondary institution;
- 2) Obtained an associate's (or higher) degree; or

- 3) Demonstrated through a formal state or local academic assessment their knowledge of and ability to assist in instructing: a) reading, writing, and mathematics, or b) reading readiness, writing readiness, and mathematics readiness.

The U.S. Department of Education is expected to issue regulations or guidance on the courses of study that can be used to meet the first two options, as well as the types of formal assessment that can be used to meet the third option. In the meantime, Title I paraprofessionals can be assured that they will meet the requirements pertaining to knowledge of reading, writing and mathematics if they complete the first two years of a teacher education program provided by an approved teacher preparation institution or a community college with an articulated agreement with an approved teacher preparation institution.

The requirement for new Title I teachers, which takes effect beginning with the 2002-03 school year, is that they must meet the full certification requirements for the grade levels and subject areas they are teaching. Districts may not hire new Title I teachers who are teaching under emergency permits or other temporary arrangements. Districts and academies receiving Title I funds must also implement a plan to ensure that all teachers in the district or academy meet full certification requirements by the end of the 2005-06 school year. If a district or academy has any teachers who do not meet these requirements, it must spend 5 percent to 10 percent of its Title I funds for professional development to ensure that all teachers become qualified within the required timeframe. Title I funds may also be used to support training and professional development for Title I paraprofessionals to meet the new requirements. Other fund sources available for this purpose include Title II, Part A and Title V, Part A.

Schoolwide Planning Support Team Arrangements for 2002-03

Under a statewide Ed-Flex waiver approved by the State Board of Education in January, 1998, any Title I school with a poverty concentration of at least 35 percent may choose to implement a Title I schoolwide program **once it has participated in a year of planning with a school support team which has been provided or approved by the Department.** There are currently more than 750 schools implementing schoolwide programs in Michigan, and 73 are engaged in planning schoolwide programs for the fall of 2002. At this time, the Department is beginning to make arrangements to identify school support teams for schools that wish to plan during 2002-03 to implement schoolwide programs in 2003-04.

One option for schools, if enough schools select this program, may be participation in the Title I School Improvement Training Program designed and led by Dr. Larry Lezotte. Schools may also identify another technical assistance provider who is knowledgeable about effective schools research and comprehensive school improvement. If a school is already receiving assistance from another provider, it may wish to use that process for Title I schoolwide planning as well, if the technical assistance provider agrees to serve in this role.

The Department anticipates that it will be able to provide a \$3,000 grant for each school to help cover the costs of assistance from the support team selected. Any costs that are not covered by the grant can be included in the district's regular Title I budget or paid with other funds, such as those available under Title V.

If you have any eligible schools that would like to engage in schoolwide planning in 2002-03, please complete the Attachment and send it to the Department no later than April 1, 2002. If you have questions about Title I schoolwide planning, the difference between schoolwide and targeted assistance programs, or the status of any school in your district, please call your regional Field Services consultant.

Please note that schools engaged in the year of schoolwide planning must continue to operate as Title I Targeted Assistance Schools.

2002-2003 TITLE I SCHOOLWIDE PLANNING SUPPORT TEAM NEEDS

School District _____ **District Code** _____

<u>Participating Schools</u>	<u>Poverty %</u>	<u>Support Team Option Desired (Please check one)</u>
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____
_____	_____	<input type="checkbox"/> Lezotte <input type="checkbox"/> State Accred. T.A.* <input type="checkbox"/> N. Central <input type="checkbox"/> Other (Identify)_____

* Northern Michigan Learning Consortium, West Michigan Student Achievement Consortium

Schools with a poverty percentage between 35 and 50 percent are eligible under the Ed-Flex waiver approved by the State Board of Education. Adequate Yearly progress will be tracked separately for these schools to assess the impact of the waiver. Districts participating in the Ed-Flex waiver must complete the following assurance:

I, the undersigned, hereby assure that the district will comply with federal requirements for maintenance of effort, comparability of services, equitable participation of students and staff in private schools, parental participation and involvement, distribution of funds, and civil rights and health and safety requirements.

Superintendent's Signature _____ **Date** _____

Please return this form no later than April 1, 2002 to:

Telephone: (517) 373-3921 Fax: (517) 335-2886

Ms. Linda Brown, Assistant Director
Office of Field Services
Michigan Department of Education
P.O. Box 30008
Lansing, MI 48909